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NEWS RELEASE

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Criminal Charges Filed Against Investment Promoter Who Defrauded Disabled Veteran *Dennett told investor he could earn 9% guaranteed returns from Mexican resort ...*

SALT LAKE CITY, Utah – Criminal charges were filed today against Donald Wesley Dennett, of Springdale, for taking \$16,000 from a disabled veteran for an investment in a Mexican resort called the Avalon Grand. The Utah Attorney General's Office filed charges in Iron County accusing Dennett of securities fraud and abuse of a vulnerable adult.

According to the criminal charges, Dennett went to the Iron County home of a disabled veteran and offered him the opportunity to invest in a "Universal Lease." Dennett said the investment was guaranteed to pay 9% interest. The veteran invested \$16,000 in March 2004. The investor received \$1,410.39 before payments stopped.

The charging documents explain how Dennett told the veteran and his wife they would receive a "universal lease agreement" in the Avalon Grand resort in Cancun, Mexico. He said it was a solid investment with guaranteed returns. The investor said Dennett claimed he had invested \$600,000 of his own money and that his brother had invested \$2 million.

In reality, at the time Dennett solicited this investor, he already was the subject of an enforcement action by the Utah Division of Securities alleging that the offers of universal leases was illegal. That action was resolved in December 2005 with the entry of an order in which Dennett agreed to cease violating the law and paid a \$1,000 fine. At the time, the Division of Securities believed Dennett had only made offers and had not taken money from any investors.

The criminal information alleges that Dennett falsely told the investor the investment was guaranteed, that the investment paid 9% annual interest, and that he could get his investment back, with no penalty fee, after three years. The charges also allege that Dennett failed to tell the investor that the Division of Securities had brought an enforcement action against Dennett, that two other states had brought actions alleging that sales of the universal leases violated securities laws, that another of his companies (Wakara Elk Ventures) had just filed for bankruptcy, and that a debt collection action had been filed against him two months before the investment and was still pending. The investor was not given any information normally contained in a prospectus.

If convicted, Dennett could be sentenced to as much as 30 years in prison.

In criminal cases, defendants are presumed innocent unless they are convicted at trial or they plead guilty.